DRAFT                                                                    5 April 1950

MEMORANDUM FOR THE DIRECTOR

SUBJECT:        Possible Intelligence Requirements of Mr. Gordon Gray

1. Herewith is the published text of the President's letter of
31 March 1950 to Mr. Gordon Gray, asking him to do a job of economic
planning as Special Assistant to the President. The published text
of Mr. Gray's reply is also attached.

2. Since it appears from these letters that Mr. Gray is intended
to accomplish a great deal in a very short time, it is apparent that any
assistance that can be extended to him should prove very useful. Yet
he may well not be aware of the help that CIA can provide. Putting this
thought another way, Mr. Gray may produce results actually adverse to
the national security if he attempts to do his work without adequate
intelligence guidance, or with the benefit only of such bits and pieces
as he can glean from ECA, Commerce, and so forth.

3. Obviously his first requirement is a national intelligence
estimate, giving the implications to U. S. national security of the
"dollar-gap," country by country. After that, his requirements may be
more detailed, and the work ORE has been doing lately in response to the
NSRB request for intelligence support may be turned to Mr. Gray's benefit
in this respect.

4. This is a case where CIA has the opportunity "to get in on the
ground floor" in the formulation of national policy, as opposed to the
usual case where intelligence support is requested after the basic
decisions are already made. Any use which Mr. Gray would make of this
Agency in this instance would certainly help to establish a precedent

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favorable to CIA with regard both to the early use of intelligence support in national policy planning and in establishing CIA as the pivotal authority in the field of economic intelligence.

5. <u>Recommendation</u>: It is recommended that you send the enclosed letter to Mr. Gray, or mention the substance thereof to him. The AD/ORE concurs.

Enclosures:

    1. Text of Truman-Gray Letters on World Trade
    2. Proposed Letter to Mr. Gray

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